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DELPHI CORPORATION
(formerly Delphi Automotive Systems Corporation)

DELPHI AUTOMOTIVE SYSTEMS RISK MANAGEMENT CORP.

5725 Delphi Drive
Troy, Michigan
U.S.A 48098-2815

Attention: (1) Ramesh Shettigar, Director of FX & Commodity
Fax No: (248) 813 3391; and
(2) Treasurer
Fax No: (248) 813 3381

13th February 2006

Dear Sirs:

Settlement of rights and obligations under Master Agreements

We refer to our letter dated 14th November 2005 to Delphi Corporation, to our letter dated 26th October 2005 to Delphi Automotive Systems Risk Management Corp. ("Delphi DASRM" and, together with Delphi Corporation, "Delphi") and to our recent telephone conversation. All capitalized terms not otherwise defined in this statement shall have the meanings assigned to them in our letters of 14th November 2005 and 26th October 2005 and in the Master Agreements.

As stated in the above mentioned letters and explained in our telephone conversation, the relationship that Barclays Bank PLC and its affiliates ("Barclays") had with Delphi extended across many levels and products (including trading, bond holdings, bond underwritings and credit facilities).

We reserved our rights of set-off against any obligations we had to Delphi under the Master Agreements pending further investigation into amounts and other obligations, actual and contingent, that Delphi may owe under those relationships.

We have now completed our review of our relationships with Delphi.

As you are aware, a class action complaint has been filed in the Southern District of New York against, among others, underwriters of Delphi Corporation securities, including Barclays. Pursuant to the relevant underwriting agreement, Delphi agreed to indemnify its underwriters. Barclays will have claims against Delphi Corporation for any resulting losses, claims, damages or liabilities incurred by Barclays that are covered by the indemnity provided by Delphi Corporation.

Because of the potential that Barclays may incur losses, claims, damages or liabilities that would be indemnifiable by Delphi Corporation, to protect our set-off rights against any indemnification payments owed by Delphi Corporation, Barclays has decided not to pay the \$9,044,399.41 Early Termination Date Amount (calculated under the Master Agreements with Delphi Corporation) at this time.

However, Barclays does not propose to take further action with respect to potential rights of set-off it may have against the \$1,999,658 Early Termination Date Amounts owed by Barclays to Delphi DASRM pursuant to the Master Agreement between them.

Accordingly, we would be grateful if you would provide the necessary payment account wire details so that Barclays may pay the \$1,999,658 owed by Barclays to Delphi DASRM in settlement of Barclays' obligations to Delphi DASRM under the Master Agreement between them.

Barclays reserves all its other rights and remedies in relation to (i) Delphi Corporation, (ii) Delphi Automotive Systems Risk Management Corporation and (iii) each other affiliate of Delphi Corporation.

Yours faithfully,

BARCLAYS BANK PLC

By: 
Name: 

Title: Director